# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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#### FISCAL IMPACT STATEMENT

LS 6234 NOTE PREPARED: Jan 29, 2009 BILL NUMBER: HB 1033 BILL AMENDED: Jan 29, 2009

**SUBJECT:** Livestock Waste Treatment Systems.

FIRST AUTHOR: Rep. Grubb BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended)This bill requires the Utility Forecasting Group to consider the statewide evaluation of livestock waste anaerobic digestion, gasification, and algae production systems that is conducted by the Department of Agriculture in formulating suggestions to the Regulatory Flexibility Committee concerning the development and use of renewable energy resources in Indiana.

It requires the department to explore the use of livestock waste treatment systems to minimize air emissions, ensure water quality standards are met, and generate renewable energy as an economic development tool. It also requires the department to conduct a statewide evaluation of the potential energy generation of certain systems using the protocol developed by the United States Environmental Protection Agency AgSTAR Program.

Effective Date: July 1, 2009.

**Explanation of State Expenditures:** (Revised) This bill will increase the administrative costs of both the Utility Forecasting Group and the Department of Agriculture. The amount of the increase is indeterminable and will ultimately depend on the administrative decisions of these two entities made in considering and evaluating livestock waste treatment systems and gasification and algae production systems for the conversion of livestock waste to renewable energy.

<u>Background-</u> A livestock anaerobic digestion system is a device used to recover biogas from organic waste. Biogas is a gas largely comprised of methane, and it is used to produce energy. These digesters are made in various ways, using a wide variety of available livestock waste materials.

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# **Explanation of State Revenues:**

## **Explanation of Local Expenditures:**

### **Explanation of Local Revenues:**

<u>State Agencies Affected:</u> Utility Regulatory Commission; Utility Forecasting Group; Department of Agriculture.

### **Local Agencies Affected:**

<u>Information Sources:</u> U.S. Environmental Protection Agency, <a href="http://www.epa.gov/agstar/pdf/manage.pdf">http://www.epa.gov/agstar/pdf/manage.pdf</a>

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